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UNITED STATES DEPARTMENT OF AGRICULTURE
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NEW PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Available (single copies) free to persons in the U. S. from the
Foreign Agricultural Service, U. S. Department of Agriculture,
Washington 25, D.C., Room 5922. Phone: REpublic 7-4142, Ext. 2445.

World Sugar Production Continues Upward Trend. Foreign Agriculture Circular FS 7-58.

World Cotton Trade To Decline for Second Successive Year. Foreign Agriculture Circular FC 19-58.

Record 1958 World Corn Production Forecast. Foreign Agriculture Circular FG 12-58.

GREECE'S TOBACCO EXPORTS DROP IN 1957-58

Greek exports of unmanufactured tobacco from July 1957 through June 1958, totaled 129.3 million pounds--a drop of 8 percent from the previous 12 months. Purchases by the United States increased in 1957-58, but were not enough to offset declines in exports to Austria, Belgium, Egypt, Finland, the Soviet Union, Switzerland, and several other important markets.

The export value of all tobacco exports averaged the equivalent of 63 U.S. cents per pound in July 1957-June 1958, compared with 59 cents the previous year. This reflected the generally good quality of the 1956 crop, shipped out in 1957-58.

TOBACCO, UNMANUFACTURED: Greece, exports by principal countries of destination, July-June 1956-57 and 1957-58 and average export price per pound

Country of destination	July 1956-June 1957	Average price per pound	July 1957-June 1958	Average price per pound
	1,000 pounds	U.S. cents	1,000 pounds	U.S. cents
Austria.....	11,219	32.2	6,080	44.4
Belgium.....	6,739	27.2	3,724	27.7
Egypt.....	4,321	63.5	844	46.7
Finland.....	3,298	59.0	2,535	53.1
France.....	10,889	51.2	10,683	51.7
Germany, East.....	1,422	83.9	1,640	80.7
Germany, West.....	42,423	55.8	42,811	59.9
Italy.....	9,636	78.0	9,621	78.5
Soviet Union.....	8,986	53.1	5,701	51.7
Switzerland.....	2,906	71.7	1,197	71.7
United Kingdom.....	1,149	63.9	1,969	63.0
United States.....	25,503	82.1	31,570	77.5
Others.....	12,169	--	10,936	--
Total.....	140,660	59.0	129,311	63.0

SWISS TAKE MORE U.S. LEAF

Swiss imports of unmanufactured tobacco were 20.5 million pounds in the first 9 months of 1958, compared with 19.6 million during the same months a year earlier. Imports of U.S. leaf rose to 9.3 million pounds, compared with 8.8 million pounds in January-September 1957. Most of the increase in imports was in cigarette types of tobacco.

SURINAM OPENING NEW CIGARETTE FACTORY

Construction of the new cigarette factory in Paramaribo, Surinam, is well under way, and manufacturing operations are expected to begin this month. Plant machinery is now being installed. The American manager of the new plant has arrived in Surinam to supervise installation of the equipment and the factory's operation. Cigarettes made in this new factory will bear the trade name "Star".

WEST GERMAN TOBACCO CROP BELOW 1957

The latest estimate of West Germany's total 1958 crop of tobacco is about 44 million pounds--down about 2.5 percent from last year.

Flue-cured production in 1958 is placed at about 6 million pounds--up 9 percent from 1957; Burley and other light air-cured, nearly 15 million pounds--up 4 percent from last year; and dark air-cured (mainly cigar leaf) at 23 million pounds--down about 8 percent from 1957.

The slight decline in West German leaf production in 1958 is not expected to affect tobacco imports. Stocks of domestic leaf are more than ample to fill any slight gap between supplies and requirements.

INDIA SUPPLIES MOST OF MALAYA'S LEAF

An Indian Trade Journal summary of some of Malaya's imports for calendar year 1957 includes the totals of unmanufactured tobacco imported by Malaya.

The following table based on information in the Journal shows the country of origin, pounds imported, value and average price per pound for Malaya's imports in 1957.

Country of origin	Pounds	Value : U.S. dollars:	Average price per pound U.S. cents
India.....	6,305,581	587,862	9.3
China, Mainland.....	1,484,646	288,585	19.4
Southern Rhodesia.....	813,982	328,515	40.4

TAIWAN UNIFIES ITS EXCHANGE RATE SYSTEM

Effective November 21, 1958, the Government of the Republic of China (Taiwan) simplified its exchange rate system in order to coordinate it with its economic development program.

All export transactions will now be at one rate, currently 36.08 New Taiwan Dollars per U.S. dollar, and imports will be at the single rate of 36.38 NTD per U.S. dollar. The change represents virtual unification of Chinese exchange rates and abandonment of the multiple rates operating since April 1951.

Previously, exports and imports were divided into "A" and "B" categories. Buying and selling rates of 24.58 and 24.78 NTD per U.S. dollar applied to Category "A", which included exports of sugar, rice, and salt and imports of cotton, soybeans, and wheat. The effect of the exchange reform is to move everything into Category "B".

The new exchange rate is determined by adding the cost of a foreign exchange certificate, required for all transactions, to the fixed "official" rate, which is the same as the old Category "A" rate. The cost of the certificate is technically fluctuating, but present government policy is to keep it at a figure which results in the rates quoted above.

BRAZIL TAKES STEPS TO STABILIZE PRICES OF BASIC COMMODITIES

Because of the rapid increase in the cost of living, Brazil has taken steps to curtail rising prices of agricultural products.

Effective November 19, 1958, retail prices of the following items were frozen at the October level: Rice, potatoes, onions, mandioca flour, beans, corn, corn meal, and corn flour, lard, vegetable fats and edible oils, certain fresh and salted meat, and butter. Other items not in this list, such as coffee, sugar, alcohol, and fluid milk, are already under price control.

For the following commodities no maximum prices are set, but profits above the overall cost price are limited to 20 percent for retailers and 10 percent for wholesalers: Garlic, oats, codfish, tomato paste, condensed and powdered milk, flour, and cheese. Profit margins of 25 percent for retailers and 15 percent for wholesalers are allowed on olive oil, olives, nuts, canned goods, dried figs, dried fruits, salted fish, and dates.

The President is also asking for a study of ways and means to import more food from countries with which Brazil has a favorable convention dollar exchange. The Bank of Brazil has been instructed not to curtail agricultural credits, and to reduce all other credits to a sensible minimum. In addition, transport of food products is to have priority over that of other commodities.

ENTRE RIOS PROVINCE OF ARGENTINA PROMOTING SUGAR BEET INDUSTRY

To encourage the development of a beet sugar industry in Entre Rios Province, the Chamber of Deputies of the province has passed a law calling for preliminary studies of all phases of sugar beet production--including means of financing by private, cooperative, and state interests.

LESS BRAZILIAN COFFEE SHIPPED FROM SANTOS

Over half of Brazil's coffee exports normally are shipped from Santos; but in the first 4 months of the current crop year which began July 1, exports through this port came to only 1,465,507 bags out of Brazil's total 4-month exports of 4,657,406 bags. Shipments from Rio de Janeiro and Paranagua have been proportionately larger.

NYASALAND COFFEE GROWERS FORM ASSOCIATION

In an attempt to revive coffee-growing in Nyasaland, about 20 growers have formed the Nyasaland Coffee Growers Association and have appointed a committee to make marketing arrangements.

In the past 50 years Nyasaland's coffee acreage has dropped from 18,000 acres to not more than 900 acres. Last year, the country produced only about 1,000 bags of coffee. The new association has set a tentative target of about 7,500 bags by 1963--about the same quantity as Nyasaland imported in 1957.

One of the reasons for stimulating interest in coffee is the uncertainty of the world market for tung oil; Nyasaland's income from its tung oil exports has been markedly reduced.

THAILAND MEETING MOST OF ITS SUGAR NEEDS

Thailand is approaching self-sufficiency in sugar. In 1958-59, its sugar output is expected to be a record 75,000 short tons. This is about 4 percent larger than 1957-58 production and 39 percent larger than the 54,000-ton average for the previous 5 years.

Sugar imports have decreased rapidly during recent years, dropping in 1957 to only 10,000 tons, compared with 15,000 in 1956 and 45,000 in 1955.

Contributing to the increased sugar production is the new refinery at Choburi, south of Bangkok. After 2 years of part-time operation, it was officially opened November 13, 1958. With a crushing capacity of 1,600 tons of cane per day, it expects to produce 11,000 tons of "plantation white" sugar annually.

ISRAELI CITRUS EXPORTS UP

Exports of citrus fruits from Israel this season through November 15 were up almost 15 percent from the same period last year. Exports of all types of citrus except Navel oranges have increased. This season's exports in 1,000 boxes, with last year's in parentheses, were: Grapefruit 103 (96), lemons 11 (10), tangerines 25 (8), and Navel oranges 3 (10).

The most important market during the period was the United Kingdom, which took 137,000 boxes (92,000 last year), followed by Finland 4,000 (15,000), and Austria 2,000 (0).

DANISH SUGAR PRICES RAISED

Maximum prices which Danish sugar factories are permitted to charge were raised moderately about mid-November.

Authorized increases were slightly more than the U.S. equivalent of one-half cent per pound, but varied somewhat according to type of sugar (granulated, brown, loaf, and confectioner). Principle reasons for the action were given as a minor increase in production costs and a decrease in export prices.

All sugar produced in Denmark is the output of 9 beet processing plants and 2 refineries which together hold a 10-year monopoly (expiring in 1960) granted by the government. Through the Minister of Commerce, the government largely controls operations of the monopoly. The Minister determines the area of beets grown for sugar and thus, indirectly, the approximate quantity of sugar to be produced. He is empowered to prohibit or permit imports or exports of sugar, and he fixes the price which sugar factories receive for their output.

Danish policy has been to meet domestic needs first and then export if profitable to do so. Denmark has unusually favorable conditions for growing sugar beets, and its factories generally are conceded to be among the most efficient in Europe. In several years, Denmark has found it advantageous to export substantial quantities of sugar beets and sugar.

Profits from sugar exported at prices above the authorized domestic prices must be put in a stabilization "pool" used to cover losses arising from a reverse situation. The increased costs and lower world market prices cited above have brought about a substantial deficit in the pool account. Part of the recent increase in price is regarded as necessary to re-establish the normal relationship between cost and selling prices, while part of the increase will be used to replenish the pool fund.

FORMOSA BANS EXPORTS OF CITRONELLA OIL

Formosa's Foreign Exchange and Trade Control Commission recently announced that since exports of citronella oil in 1958 have reached a predetermined level of 4 million pounds, further exports are prohibited indefinitely. Domestic purchases are expected to continue until stocks reach 1.5 million pounds, when exports may be resumed.

GREEK CITRUS CROP OUTLOOK EXCELLENT

The Greek Ministry of Agriculture estimates that orange and tangerine output this year is up about 15 percent from last year, with lemons at about the same levels. The latest production estimate, compared with last year, is:

	<u>1957-58</u>	<u>1958-59</u>
	<u>Million boxes</u>	
Oranges	6.8	7.8
Tangerines	1.1	1.3
Lemons	1.6	1.6

Exports to date this year are substantially below those of the same period last year because of increased competition from other producing countries. Growers recently reduced lemon prices from about $5\frac{1}{4}$ cents per pound to $4\frac{1}{2}$ cents per pound.

U. S. PEARS ON SWEDISH MARKET AS BAN IS LIFTED

Large quantities of U. S. pears which had previously cleared customs entered the Swedish market on November 17, the day the seasonal import embargo was lifted. As the ban is not to be reimposed until June 30, 1959, further U. S. supplies are expected, as well as shipments from Italy and the Benelux Union.

The Agricultural Marketing Board reaffirmed that the apple embargo will not be lifted until February 11 because domestic supplies should last until then.

FINLAND RAISES PORK PRICES

Finland has raised the guaranteed yearly average price of pork to producers by 2 percent to 250 Finnmarks per kilo (\$.35 per pound). This is a part of a move to increase agricultural income by 2,056 million marks and is expected to increase income from hogs by 304 million marks. Finland exported pork under subsidies during 1957.

C O R R E C T I O N

With reference to the article AUSTRALIAN MEAT SHIPMENTS TO U.S. IN NOVEMBER (Foreign Crops and Markets, December 8), Australia's Department of Primary Industry reports that a revision of data received from the Meat Board indicates that the Port Huon, which sailed for the East Coast about November 11, carried 2,400 long tons of frozen beef.

U.K. PREFERS LOWER-PRICED PACKAGED LARD

Although prices for U.S. bulk lard have become more competitive in the United Kingdom, the big demand there is for prepacked lard; half-pound packets of U.S. lard are still priced out of this market.

Trade sources say that if the United States is to regain its former share of U.K. lard imports, suppliers must handle more packaged lard at a more competitive price.

CANADIAN TALLOW PRODUCTION UP, EXPORTS DOWN

Tallow production in Canada in the first 9 months of 1958 increased 6 percent over the same period of 1957. At the same time, its exports decreased by 6 percent.

There has been a definite shift in Canadian export destinations. In the first 9 months of 1958 exports to the United Kingdom, heretofore Canada's principal outlet, decreased by one-half. The Union of South Africa increased its purchases from 7 million pounds to 14 million pounds in the 9 months, and is now the leading market for Canadian tallow. U.S. exports to the Union of South Africa decreased 38 percent in this period--from 32 million pounds to 20 million pounds.

U.K. INCREASES IMPORT QUOTA FOR U.S. BEEF TONGUES

U.S. exporters may be able to ship more frozen beef tongues to the United Kingdom, as the U.K. has increased its dollar quota for this item.

The quota for 12 months ending March 31, 1959, has been raised from \$1.68 million (£600,000) to \$2.52 (£900,000). The quota for the year ending March 31, 1958, was \$1.68 million. Imports of animal casings from dollar areas are not restricted, but no provision is made for the importation of other types of carcass or variety meats.

U.K. imports of U.S. frozen tongues during calendar 1957 amounted to \$1.29 million (£460,000) and were 30 percent of total U.K. imports of this type of meat. Imports from the United States in January-July 1958 added up to \$585,000 (£209,000) and again made up 30 percent of total imports. Argentina, Australia, and New Zealand are the other chief suppliers.

NEW ZEALAND EXPORT MEAT PRODUCTION UP SLIGHTLY

Meat production (product weight basis) in New Zealand export slaughter houses was up slightly in the marketing year ending September 30. Export slaughter houses are permitted to slaughter only for export trade.

The largest increase was in boneless beef production, mostly for export to the United States. Output of beef and veal carcasses and cuts, and pork and variety meats, dropped sharply (see Foreign Crops and Markets, December 1, 1958). Mutton and lamb production was up because of increased lamb production.

Slaughter in export plants was up sharply during October, the first month of the 1958-59 season. The New Zealand Meat Board has emphasized that if New Zealand and Australia want to retain their profitable North American markets, meat exports must meet the high import standards and also must be arranged so they do not disturb the market for American producers.

MEAT: New Zealand, production of chilled or frozen meat and meat products for export (product weight basis) years ending September 30, 1954-58

Classification	Year ending September 30				
	1954	1955	1956	1957	1958
	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds
Beef and veal:					
Veal, bone in.....	4:	2,336:	3,544:	6,832:	3,069
Beef, bone in.....	93,141:	133,455:	156,997:	154,737:	87,260
Beef and veal, boneless.....	1,779:	74,099:	95,131:	110,730:	154,461
Total.....	94,924:	209,890:	255,672:	272,299:	244,790
Mutton and lamb:					
Lamb, bone in.....	422,603:	449,512:	453,958:	445,583:	499,484
Mutton, bone in.....	123,861:	143,718:	141,346:	119,181:	108,228
Mutton, boneless.....	9,704:	4,731:	5,051:	4,075:	2,865
Total.....	556,168:	597,961:	600,355:	568,839:	610,577
Pork.....	22,120:	17,613:	19,092:	13,456:	7,094
Total red meat.....	673,212:	825,464:	875,119:	854,594:	862,461
Variety meats.....	26,454:	36,404:	38,221:	41,108:	37,757
Total meat and meat products...	699,666:	861,868:	913,340:	895,702:	900,218

Source: New Zealand Meat Producers Board.

WEST GERMANS WANT MORE MEAT IMPORTS

West German meat trade spokesmen are calling for an increase in meat and livestock imports to halt rising cattle and hog prices. West Germany sharply curtailed meat and livestock imports in 1957 and 1958 due to high domestic production.

LOW WOOL PRICES HURT AUSTRALIAN ECONOMY

As Australia normally depends on wool for almost half of its foreign exchange earnings, it is feeling the adverse effect of a year and a half of declining wool prices.

After rising sharply during the 1956-57 season (July-June), prices fell last season and during the early part of this season. Prices during October and November have been relatively stable at these low levels. The average price of wool for the 1957-58 season through October was 43 cents per pound, grease basis--about 25 percent below last season's average and down 50 percent from the 1956-57 average. The 1957-58 average was the lowest since 1948-49, with the exception of 1955-56.

Many growers say that present levels are below production costs. Small producers and those who have recently entered the industry have been particularly hard hit. The established sheepman is still in a strong position, however, after 10 years of favorable wool prices.

A continuation of present price levels will probably force a cutback in costs, principally in farm improvements. Additions of water supply areas and fencing and pasture improvements are reported to have already been curtailed. Rapid advances in farming techniques since 1949 have contributed materially to a sharp increase in sheep and wool production.

Low wool prices may bring some shift to alternative enterprises--particularly wheat and cattle. Government price guarantees insure wheat growers against unduly low returns. Wheat acreage is considerably below that of the mid-1930's; but a marked increase in production would cause major marketing and storage problems. Recent favorable beef prices have encouraged some shifting to cattle-raising, but it is likely that other factors such as the distance from markets will deter any major shift.

Some grower organizations are pressing for a reserve price plan similar to those of New Zealand and South Africa. The Australian Wool Growers' Council, representing most of the larger producers, is still strongly opposed to any such plan. It says that a reserve price scheme is not appropriate to the present wool situation and that the wool industry will continue to stand on its own feet by increasing efficiency, reducing costs, and stepping up promotion.

WEST GERMANY BUYING MORE U. S. CATTLE HIDES IN 1958

In the first 6 months of 1958 the United States regained its position as West Germany's leading supplier of cattle hides.

West German imports of U. S. cattle hides in this period were up 20 per cent from the same period of 1957. Total imports were down 4 percent from the 1957 level, as a sharp decline in imports from Argentina and Uruguay more than offset the increase from the United States.

The decline in imports of Argentine cattle hides checks the sharp uptrend of the past 2 years, when Argentina replaced the United States as West Germany's major source. Data in Foreign Crops and Markets, May 5, 1958, on West German imports was in error as it included calfskins and buffalo hides.

CATTLE HIDES: West German imports, annual 1955-57, January-June 1957 and 1958

Country of origin	Annual			January - June		
	1955	1956	1957	1957	1958	
	1,000	1,000	1,000	1,000	1,000	
	pounds	pounds	pounds	pounds	pounds	Percent
Argentina.....	41,742	60,525	81,756	40,246	30,300	-25
United States.....	62,160	44,366	79,027	34,578	41,343	+20
France.....	14,397	14,268	8,049	4,484	3,638	-19
Uruguay.....	10,926	12,504	14,988	8,333	2,468	-70
Netherlands.....	8,894	9,244	10,719	5,286	6,313	+19
New Zealand.....	3,787	8,411	11,988	3,534	4,062	+15
Australia.....	5,006	8,344	11,631	2,813	3,845	+37
Denmark.....	6,949	7,559	5,021	1,444	3,408	+136
Canada.....	7,615	4,883	11,109	5,237	6,644	+27
Italy.....	7,062	4,745	4,666	2,448	745	-70
Switzerland.....	5,933	4,524	6,103	2,851	2,393	-16
Belgium.....	5,830	4,104	3,099	1,089	2,092	+92
Paraguay.....	1,959	3,945	3,646	1,719	1,037	-40
Union of South Africa.....	1,469	3,653	1,393	1,136	728	-36
Rhodesias-Nyasaland.....	6,554	2,585	2,865	1,573	1,945	+24
Other.....	11,753	12,126	12,340	6,023	6,805	+13
Total.....	202,036	205,768	268,400	122,794	117,767	-4

Source: Der Aussenhandel der Bundesrepublik Deutschland.

SWEDEN RAISES MEAT IMPORT DUTIES

Sweden increased the import tax on meat as of November 1, 1958. The new import taxes (old rates in parenthesis) are: mutton--\$11.22 per 100 pounds (\$9.21); horsemeat--\$7.10 per 100 pounds (\$5.09); beef--\$8.94 per 100 pounds (\$6.93); veal--\$10.98 per 100 pounds (\$9.21); smoked, salted, boned and canned meat, and variety meats--\$12.49 per 100 pounds (\$10.96).

In August 1958, 1st class frozen domestic horsemeat was selling for \$28.06 per 100 pounds and fresh domestic calf livers for \$64.88 in Sweden.

The United States exported 1,917,000 pounds of horsemeat and 1,305,000 pounds of variety meats to Sweden during the first 9 months of 1958.

NEW DAIRY PRODUCTS PLANT FOR EL SALVADOR

The Cooperativa Ganadera, Ltda. is constructing a \$400,000 modern milk-processing plant near Sonsonate, El Salvador.

To help finance this project, the Instituto Salvadoreno de Fomento de la Produccion has loaned the Cooperativa \$208,000, repayable over a 10-year period. Technical assistance will be provided by the Food and Agriculture Organization of the United Nations and the El Salvador Ministry of Agriculture.

The plant will have a daily capacity of about 31,000 pounds. In addition to pasteurized milk and cream and flavored milk drinks, the factory will make butter, cheese, and ice cream.

BELGIUM LEVIES IMPORT TAX ON DAIRY PRODUCTS

New Belgian import taxes on various dairy products (including cheese, powdered milk, and sweetened condensed milk in cans) went into effect November 4, 1958.

The taxes will be collected when the import licenses are granted. Rates vary between 2 and 5 francs per kilogram (1 7/8 to 4 1/2 cents per pound). The new tax was levied to protect Belgian producers against low-priced imports, mainly from the Netherlands. Receipts will go into the Agricultural Fund.

In recent years Belgium has been an important market for U. S. cheddar cheese, taking 2.6 and 2.1 million pounds in 1956 and 1957, respectively. This year, U. S. exports will be substantially under 2 million pounds because cheese from other countries is available at prices well below the U. S. export price.

SWEDEN PRODUCING LESS BUTTER, USING MORE

Swedish butter production, which had been running well ahead of 1957, declined in the third quarter of 1958. As a result, factory output during the first 9 months of this year was about equal to production in the comparable period last year (155.5 million pounds).

Consumption, however, has risen substantially since last May's price reduction (see Foreign Crops and Markets, May 26). While actual figures have not been released, present domestic butter consumption is estimated at 35 to 40 percent above last year..

As a result of increased consumption, Sweden's butter stocks--considered troublesome earlier this year--dropped to about 11.0 million pounds on October 31, less than half of holdings a year earlier.

Butter exports during the first 3 quarters of 1958 were 41.8 million pounds. With present production only slightly exceeding domestic consumption, exports during the last quarter are expected to total only about 2 million pounds. Forecasters predict only a 22.0-million-pound exportable surplus for 1959. Some suggest that Sweden may even import some butter in early 1959.

Since the butter price decrease in May, and accompanying milk price reduction, dairy farmers' income has declined. Milk output has dropped because of increased slaughter of dairy cattle. To bolster farm prices and income, prices of some commodities are to be raised. The butter price will be increased by about 2.2 cents per pound and the fluid milk price may be raised later in the season.

CANNED FRUIT PRICES AT HAMBURG

Prices for canned deciduous fruit, c.i.f. Hamburg, West Germany, during the latter part of November were as follows:

<u>Description</u>	Dollars per doz.
	<u>No. 2$\frac{1}{2}$'s</u>
U.S. peaches, choice, heavy syrup...	3.32
U.S. fruit cocktail, choice	
heavy syrup.....	4.00
Argentine pears, choice	
heavy syrup.....	2.60

The above quotations are for canned fruit purchased under German import tender dated September 23, 1958.

YUGOSLAVIA MAY EXPORT DRIED PRUNES TO U.S.

About 3,000 tons of small-sized Yugoslav dried prunes have been sold to New York importers, according to unconfirmed reports.

The Yugoslavs indicated earlier in the season their interest in the U.S. market this year in view of the short California crop and the fact that practically all California prunes are large-sized this year while all 1958-crop Yugoslav prunes are small sized (90/95 per 1.1 pounds and smaller), due to the drought last summer.

The 1958 Yugoslav dried prune crop is estimated at 20,000 to 22,000 short tons, or about the same as last year's crop (now estimated at 22,000 tons) and the 5-year average of 22,300 tons for 1951-1955. All of the 1958 crop except 2,000 tons required for domestic needs is expected to be exported. Exports this season will probably follow the same general pattern as in 1957-58, when about three-fourths were sold to Soviet bloc countries.

In an effort to improve quality, several new-type prune driers were installed during 1958 in Serbia and Bosnia for trial purposes. The most suitable type will be selected for wider use.

MEXICO TO HARVEST NEW RECORD RICE CROP

Mexico's new record rice crop of 1958-59, harvested mainly from August to February, is forecast at 575 million pounds of rough rice, compared with last year's previous record crop of 530 million pounds. Average production in the 1950-54 period was 370 million pounds. Mexico is harvesting its sixth record rice crop in succession.

Estimated rice acreage in 1958-59 is 24,000 acres larger than in 1957-58 and 36,000 acres more than in 1956-57. This year's increase was largely in the two leading rice states, Sinaloa and Veracruz. The area planted in two other important rice-growing states, Morelos and Michoacan, is reported to be about the same as last year.

Tobasco's new state administration which took office on December 1 is said to be planning a 1959 rice promotion program for the state. Preliminary plans call for an area of about 50,000 hectares (123,000 acres) to be planted in rice. Growers in Veracruz State are asking for government credit next year in order to increase plantings. If these undertakings materialize, Mexico's total rice area in 1959 will increase significantly.

Rice exports from Mexico in 1958 are expected to approximate 26 million pounds. Exports from January through September are listed at 15,031,000 pounds: 6,958,000 to Canada; 3,968,000 to the United States; 3,091,000 to Costa Rica; and 1,014,000 to Guatemala.

HONG KONG'S RICE
IMPORTS UP

Rice imports into Hong Kong from January through August, at 533 million pounds, were up 4 percent from the comparable period of 1957.

Imports from Thailand, the usual principal source, declined sharply. A short 1957-58 rice crop in Thailand, and rising Thai prices, apparently reduced imports from that country.

RICE: Hong Kong, imports by country of origin,
January-August 1958, with comparisons

Country of origin	Average:	1955	1956	1957	January-August	
	1951-55:				1957	1958
	Million:	Million:	Million:	Million:	Million:	Million:
	pounds	pounds	pounds	pounds	pounds	pounds
Burma.....	37	76	80	3	3	1
China, Mainland.....	42	81	115	142	97	142
Cambodia.....	--	--	--	73	66	111
Indochina.....	25	8	1	--	--	--
Macao.....	7	8	1	0	0	0
Thailand.....	352	362	394	435	324	248
Vietnam, North.....	--	--	--	35	21	25
Vietnam, South.....	--	--	--	2	2	6
Other countries.....	15	7	22	1/	1/	1/
Total.....	478	542	613	690	513	533

1/ Less than 500,000 pounds.

Hong Kong Trade Statistics.

The decreased imports of rice from Thailand were more than offset by larger takings from Communist China and Cambodia.

Average c.i.f. prices of milled "rice, white, including polished (other than broken)" from the three countries from January through August were (per 100 pounds): Thailand, \$6.76; Communist China, \$5.99; and Cambodia, \$5.13.

The average c.i.f. price for the 182 million pounds of "rice, white, broken (edible)" imported from all countries was \$4.93 per 100 pounds; 167 million pounds of it came from Thailand at the average c.i.f. price of \$5.00 per 100 pounds.

WORLD RICE TRADE IN 1958 LARGER THAN EXPECTED

World trade in rice in 1958 will be larger than expected at the outset of the year and will probably approximate the highest postwar level of 2 years before.

A decline in exports from Burma and Thailand--the result of poor crops in 1957-58--is being offset by a sharp increase in exports from Communist China and moderate increases in shipments by a number of minor exporting countries. Rice exports from Burma and Thailand in 1958 are now estimated at 13 and 30 percent, respectively, below those of 1957. Exports from the United States will be down around 14 percent.

Importing countries' known imports and contracts to import from Communist China in 1958 already add to around 850,000 metric tons (1,900 million pounds) of milled rice--more than 3 times the estimate of 270,000 tons (595 million pounds) exported in 1957. This makes Communist China the world's third largest exporter of rice; the United States is fourth.

GHANA IMPORTS LESS FLOUR IN 1957-58

Imports of flour into Ghana (formerly Gold Coast) totaled 823,000 hundredweight (112 pounds) during 1957-58 (July-June), compared with 965,000 hundredweight in the preceding year. The principal sources for this flour were the United States and Canada. The United States furnished 76 percent and Canada 23 percent of total imports in 1957-58, compared with 65 percent and 35 percent, respectively, during 1956-57.

WHEAT FLOUR 1/: Imports into Ghana, 1953-57

Country of origin	Year beginning July 1				
	1953	1954	1955	1956	1957
	Cwt. <u>2</u> /	Cwt. <u>2</u> /	Cwt. <u>2</u> /	Cwt. <u>2</u> /	Cwt. <u>2</u> /
United States.....	276,224	436,559	465,469	626,668	622,522
Canada.....	233,044	193,186	234,182	334,358	192,358
Australia.....	45	--	--	195	124
Others.....	1,953	1,439	2,080	3,822	8,079
Total.....	511,266	631,184	701,731	965,043	823,083

1/ Not converted to grain equivalent. 2/ Cwt. of 112 pounds.

Compiled from official and other information.

INDONESIA SEEKS NEW AGRICULTURAL MARKETS

The Indonesian Minister of Finance has announced plans for sending economic missions to West Germany and the United Kingdom in the near future. The purpose of the missions will be to find alternative markets in those countries for Indonesian agricultural exports formerly destined for Netherlands' markets.

PAKISTAN ENCOURAGES WHEAT EXPANSION

Pakistan is planning to increase its wheat production in 1959. In its Grow-More-Food Campaign the government is, among other measures, selling seed wheat and fertilizer to farmers, at reduced rates. Each of the past 2 harvests has been about 140 million bushels. This is somewhat short of the country's needs, and substantial imports are required.

Weather this fall favored seeding. Rainfall has been adequate in most areas; no extensive flooding has been reported. This is a good start for the new season, but it is too early to tell how successful the effort to increase production will be. Seeding is normally completed in December and wheat is harvested mainly in March and April.

ARGENTINE WHEAT SHIPMENTS LARGE IN OCTOBER

Argentina exported 281,000 metric tons of wheat during October 1958, compared with 146,000 tons in September and 186,000 in October 1957. This was the largest monthly volume of wheat exported from Argentina since November 1955, when 344,000 metric tons went abroad.

Corn exports during the first 6 months (April-September) of the 1958-59 marketing year averaged 157,000 metric tons monthly, compared with 55,000 metric tons in the same period of 1957-58. Exports in October were 189,000 tons, compared with 244,000 in September, and 71,000 in October 1957. Lack of rain late in 1958 may result in a smaller corn harvest in 1959. However, corn exports are expected to continue at a relatively high level during the next several months.

October exports of the minor grains, rye, oats, and barley were below those of a year earlier.

Due to larger corn exports, exports of all grains during July-October 1958 were about 33,000 metric tons above the 1,368,000 tons exported during the first 4 months of 1957-59.

GRAIN: Argentine exports, July-October 1957 and July-October 1958

Country of destination	Wheat	Rye	Corn	Oats	Barley	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-October 1957:						
Brazil	191,637:	--	--	2,388:	--	194,025
Chile	115,610:	--	75:	--	--	115,685
Paraguay	19,000:	--	--	--	--	19,000
Peru	44,097:	--	4,000:	--	--	48,097
Austria	550:	--	1,705:	--	930:	3,185
Belgium-Luxembourg :	39,039:	8,920:	81,323:	7,689:	6,330:	143,301
Denmark	8,742:	800:	50:	6,106:	--	15,698
Finland	--	21,515:	--	800:	--	22,315
France	12,300:	--	3,085:	510:	1,490:	17,385
Germany, West.....:	145,670:	27,101:	28,232:	14,264:	62,766:	278,033
Italy	43,910:	15,640:	85,503:	28,006:	23,029:	196,088
Netherlands	29,372:	31,289:	69,349:	12,990:	12,694:	155,694
Spain	4,800:	--	--	--	--	4,800
Sweden	--	3,100:	--	--	--	3,100
Switzerland	9,000:	2,000:	7,925:	10,906:	730:	30,561
United Kingdom	98,140:	899:	280:	3,588:	1,030:	103,937
North Africa	9,385:	--	--	--	--	9,385
South Africa	7,720:	--	--	--	--	7,720
Total	778,972:	111,264:	281,527:	87,247:	108,999:	1,368,009
July-October 1958:						
United States	--	--	3,904:	--	--	3,904
Brazil	454,388:	--	--	5,524:	2,000:	461,912
Paraguay	20,200:	--	--	--	--	20,200
Peru	20,039:	--	--	--	--	20,039
Austria	10,713:	--	3,470:	--	--	14,183
Belgium-Luxembourg :	11,601:	3,970:	73,349:	6,092:	1,000:	96,012
Czechoslovakia	--	--	539:	1,500:	--	2,039
Denmark	2,200:	1,600:	2,500:	4,236:	--	10,536
France	8,720:	--	--	--	--	8,720
Germany, West.....:	94,752:	6,973:	56,945:	29,436:	20,487:	208,593
Italy	--	5,212:	208,228:	4,000:	492:	217,932
Netherlands	27,808:	11,835:	210,251:	20,584:	6,295:	276,773
Norway	4,050:	--	2,028:	--	--	6,078
Rumania	--	6,931:	--	1,150:	--	8,081
Sweden	800:	6,205:	1,800:	1,190:	--	9,995
Switzerland	--	--	7,769:	420:	--	8,189
United Kingdom	106,262:	--	119,032:	4,302:	--	229,596
Japan	--	--	86,956:	--	--	86,956
North Africa	--	--	1,605:	--	--	1,605
South Africa	8,168:	--	--	--	--	8,168
Total	769,701:	42,726:	778,376:	78,434:	30,274:	1,699,511

ANTARCTIC WHALING RECOMMENDATIONS MADE AT RECENT MEETING

The press reports that 2 proposals were made at a recent meeting of delegates from the 5 nations which participate in Antarctic whaling--Japan, the Netherlands, Norway, the Soviet Union, and the United Kingdom:

- (1) An overall limit to the number of fleets operated by the 5 nations. The U.S.S.R. would not add more than 3 new factory ships to its fleet, while the other 4 nations would not increase their fleets.
- (2) Allocation of the total annual catch authorized under the International Whaling Agreement of 1946. It was agreed that the U.S.S.R. would be allowed 20 percent of the catch, and that allocation of the remainder would be discussed further.

The recommendations would be effective for 7 years beginning with the 1959-60 Antarctic season and would not apply to the 1958-59 season, which starts January 7, 1959.

MALAYAN COPRA, COCONUT OIL EXPORTS DOWN IN FIRST 3 QUARTERS OF YEAR

Malayan copra exports in the first 3 quarters of the year were 68,949 long tons, a decrease of 6 percent from the first 9 months of 1957. Coconut oil exports declined one-fourth to 53,970 tons.

Copra imports in January-September of 113,552 tons were down 12 percent from the comparable period last year. Shipments from Indonesia, the chief supplier, fell 8 percent.

Net exports of copra and coconut oil were down one-third from those of January-September 1957.

Copra production in the Federation of Malaya is estimated at 79,900 tons in the first 8 months of this year. This represents a decrease of 10 percent from the January-August 1957 output. The decline in production was largely in small holder acreage and reflects the higher price of rubber in recent months.

Coconut oil production in Malaya in January-August amounted to 76,393 tons, a decrease of 17 percent from the comparable period last year. The decline in oil production resulted from the shortage of copra available to mills at a price at which they could operate profitably. Most oil mills have been forced to curtail operations or shut down completely when copra was not available. Some of the smaller marginal mills have closed completely and it appears doubtful that they will reopen in the near future.

COPRA AND COCONUT OIL: Malaya, exports, imports and net exports, average 1935-39, annual 1957 and January-September 1957 and 1958

Country	Copra				Coconut oil			
	Average	1957 1/	January-September		Average	1957 1/	January-September	
	1935-39	1957 1/	1957 1/	1958 1/	1935-39	1957 1/	1957 1/	1958 1/
EXPORTS	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
North America.....	360:	3,820 :	1,600 :	---	618:	440:	50:	2,947
South America.....	---	---	---	6,500 :	4:	---	---	---
Europe:								
Denmark.....	1,745:	1,000 :	---	---	5:	---	---	---
France.....	14,192:	---	---	---	40:	1,509:	1,509:	---
Germany, West.....	2/ 47,495:	---	---	300 :	2/ 398:	8,013:	5,879:	7,858
Italy.....	10,487:	---	---	930 :	48:	14,756:	11,826:	12,389
Netherlands.....	29,585:	11,678 :	---	1,500 :	504:	5,001:	4,693:	3,700
Norway.....	4,989:	---	---	500 :	41:	---	---	---
Poland.....	3,420:	400 :	400 :	---	---	926:	926:	---
Spain.....	709:	200 :	200 :	713 :	---	---	---	---
Sweden.....	2,641:	---	---	7,052 :	1,383:	834:	834:	10
United Kingdom.....	57,750:	---	---	---	8,858:	3,933:	2,834:	1,759
Other.....	1,386: 3/ 6,589 :	---	---	---	62: 4/ 17,966: 5/ 11,666: 6/ 10,040			
Total.....	174,399:	19,867 :	600 :	10,995 :	11,339:	52,938:	40,167:	35,756
Africa:								
Egypt.....	4,541:	---	---	---	4,083:	257:	257:	757
Morocco.....	7/ 99:	---	---	---	7/ 1:	1,165:	693:	---
Union of South Africa..	---	---	---	8/ :	547:	4,575:	2,685:	3,204
Other.....	---	---	---	---	309:	1,821:	1,337:	674
Total.....	4,640:	---	---	8/ :	4,940:	7,818:	4,972:	4,635
Asia:								
Burma.....	---	1,873 :	1,595 :	411 :	3,458:	19,952:	15,256:	3,173
China.....	3,926:	7,403 :	3,836 :	5,000 :	1,134:	6,484:	2,850:	---
Formosa.....	---	---	---	1 :	---	1,201:	751:	683
Hong Kong.....	---	2 :	2 :	---	826:	3,068:	1,767:	1,212
India.....	107:	68,320 :	57,414 :	31,674 :	19,068:	6,660:	5,881:	3,189
Indonesia.....	---	2 :	2 :	8/ :	3,813:	241:	191:	454
Japan.....	1,676:	12,074 :	5,775 :	11,543 :	---	---	---	---
Pakistan.....	---	13 :	13 :	---	---	627:	527:	441
Other.....	297:	3,254 :	2,224 :	2,825 :	1,108:	1,747:	1,222:	1,478
Total.....	6,006:	92,941 :	70,861 :	51,454 :	29,407:	39,980:	28,445:	10,630
Oceania.....	---	---	---	---	362:	1:	---	2
Grand total.....	9/ 191,691:	116,628 :	73,061 :	68,949 :	10/ 47,110:	101,177:	73,634:	53,970
IMPORTS								
British Possessions.....	10,278:	8,849 :	8,063 :	635 :	8/ :	1,118:	619:	420
Indonesia.....	105,501:	178,476 :	120,077 :	109,987 :	329:	29:	21:	---
Other.....	2,472:	1,021 :	774 :	2,930 :	246:	---	---	8
Grand total.....	118,251:	188,346 :	128,914 :	113,552 :	575:	1,147:	640:	428
Net exports.....	73,440:	-71,718 :	-55,853 :	-44,603 :	46,535:	100,030:	72,994:	53,542
Net exports of copra and coconut oil								
as copra.....	147,305:	87,060 :	60,010 :	40,384 :				
as oil.....					92,802:	54,848:	37,807:	25,442

1/ Preliminary. 2/ Total Germany. 3/ All to Belgium. 4/ Includes 14,908 tons to U.S.S.R. and 2,566 tons to Yugoslavia. 5/ Includes 8,608 tons to U.S.S.R. and 2,566 tons to Yugoslavia. 6/ Includes 9,100 tons to U.S.S.R., 387 tons to Yugoslavia, and 61 tons to Switzerland. 7/ Territory formerly known as French Morocco. 8/ Less than .5 ton. 9/ Includes 6,286 tons to "other countries". 10/ Includes 440 tons to "other countries".

INDIA IMPLEMENTING ORDER TO NATIONALIZE WHOLESALE TRADE IN FOOD GRAINS

The Ministry of Agriculture and the Planning Commission in India have been directed by the National Development Council to implement the Council's order of November 9 nationalizing the country's wholesale trade in food grains (see Foreign Crops and Markets, December 8, 1958).

All food grain wholesalers are being licensed as government agents to stabilize rising prices by eliminating middleman profits. Grains covered by the order are wheat, rice, barley, sorghums, and corn.

India's wholesale cereal price index (1952-53 = 100) reached 113.6 in September, mainly because of short crops in 1957-58. Other factors include low stocks of food grains; inflationary tendencies resulting from expansion in public and private investments and in bank credit; increase in consumer purchasing power; and hoarding and speculation.

While prices leveled off somewhat in October there was no indication of a downward trend. Prices vary widely in different areas, cities, and states. They average the highest in North India, which suffered the major shortfall in production because of last year's drought. In the Punjab, a surplus-producing area, prices are below the national average but still considerably above a year ago. In South India, where 1957-58 harvests were good, prices increased as a result of the upward trends in other parts of the country.

Measures previously taken by the Government of India to curb increases in food grain prices include:

(1) The South Zone Export Control prohibiting outward movements except under government authorization of wheat and wheat products from the States of Andhra Pradesh, Kerala, Madras, and Mysore; (2) banning of food grain exports from the State of Uttar Pradesh; (3) establishment of 46,000 (as of October 18) Fair Price Shops in which consumers holding family identity cards can purchase food grains at government controlled prices; (4) prohibiting sales of imported food grains except by authorized dealers; (5) prohibiting flour mills in the Federal District of Delhi and the States of Uttar Pradesh, Madhya Pradesh, Rajasthan, and Bombay from purchasing wheat in the open market, and arranging to supply them instead with imported wheat at Rs. 14 per maund (\$2.14 per bushel) (6) limiting advances against food grains by member banks of the Reserve Bank of India to specified percentages of their advances last year; and (7) banning futures trading for the sale or purchase of coarse grains and pulses.

Other measures include (1) an order by the Bombay Government requiring dealers to obtain a license for the purchase, sale, and storage for sale of rice, wheat corn, and grain sorghums, and to submit records regularly; (2) orders by the West Bengal Government fixing maximum dealer prices for wheat, flour, and atta; and prescribing fines and imprisonment for profiteering, and prohibiting exports of those products; (3) an order by the Punjab Government requiring farmers holding more than 50 maunds (69 bushels) of wheat and anyone who holds more than 30 maunds (41 bushels) to declare their stocks to the authorities; and (4) a Madras Government order requiring all food grain dealers to obtain licenses to operate.

The government plans to boost agricultural production, especially of food grains, through "shock brigades". Agricultural officials of Central and State Government institutions are being mobilized to aid extension workers in improving agricultural practices. Groups of these officials will move into villages at planting time, and help farmers obtain and use better seed, fertilizers, and implements.

Unlike most other deficit countries, India has no producer price supports for food grains. The government fears that such supports would further increase consumer prices and necessitate large government subsidies. It has promised, however, to support prices by purchasing food grains if producer prices drop to uneconomic levels. Food grain imports have been a government monopoly since September 1, 1943.

VENEZUELA INCREASES TAKINGS OF CANADIAN EGGS

Venezuela is increasing its imports of Canadian eggs, but takings from the United States have declined.

While the United States continues to supply the major portion of Venezuela's egg imports (10.1 million dozen from the United States during the first 9 months of 1958), U.S. shipments are down 45 percent this year. Canada, on the other hand, shipped 9.2 million dozen eggs to Venezuela during the first 3 quarters of this year, almost 4 times the quantity supplied during the same period in 1957.

The Venezuelans claim that the following factors have contributed to the recent popularity of Canadian eggs:

1. Canadian eggs have a definite price advantage (see Foreign Crops and Markets, October 13).
2. Brown eggs, preferred to white by the Venezuelans, are more readily available from Canada.
3. Canadians have a stricter grading system which permits less tolerance within grades than the U. S. system.
4. Canadians use wooden cartons for packing eggs; eggs purchased from the United States are packed in fibre-board cartons. A large number of the U. S. cartons have been used previously, and considerable breakage occurs in these used cartons.

JAPAN IMPORTS AND USES
LESS COTTON IN 1957-58

Cotton imports into Japan during the 1957-58 season were 2,394,000 bales (500 pounds gross). This was a decline of 18 percent from the high imports of 2,929,000 bales in the previous season. The reduction in 1957-58 resulted from cutbacks in textile production and Japan's less favorable foreign exchange position.

Imports from the United States declined from 1,425,000 bales, or 49 percent of total imports in 1956-57, to 1,050,000 bales, or 44 percent of the total in 1957-58. Smaller quantities were also received from Mexico, Pakistan, Brazil, India, Egypt, and Peru. Imports from El Salvador, Nicaragua, Uganda, Syria, Tanganyika, Greece, and the Sudan all showed an increase.

Quantities imported from principal sources in 1957-58, with comparable 1956-57 figures in parentheses, were: United States 1,050,000 bales (1,425,000); Mexico 582,000 (616,000); Pakistan 170,000 (280,000); Brazil 147,000 (179,000); India 133,000 (144,000); Egypt 78,000 (91,000); El Salvador 75,000 (47,000); Nicaragua 23,000 (15,000); Uganda 22,000 (17,000); Syria 21,000 (5,000); Iran 14,000 (14,000); Tanganyika 13,000 (8,000); Greece 13,000 (2,000); Peru 11,000 (35,000); and Sudan 11,000 (10,000). Cotton imports in August 1958, the first month of the 1958-59 season, were 174,000 bales, compared with 180,000 bales a year earlier.

Cotton consumption in 1957-58 declined 14 percent from a year earlier, amounting to 2,443,000 bales. In 1956-57, there were 2,835,000 bales used. Most of the decline occurred during the last half of 1957-58 as a result of the planned cutback in mill operations instituted by the textile industry and the Japanese Government in an effort to ease the pressure from accumulating stocks of yarn and fabrics.

Consumption of U. S. cotton was about 12 percent below 1956-57. However, American cotton accounted for about 50 percent of total consumption, the same as a year earlier.

Some further decline is expected in both imports and consumption in 1958-59. Curtailment of mill operations has been extended through March 1959, and the mills are expected to operate cautiously after curtailments are lifted. Cotton consumption in August 1958 was 198,000 bales, compared with 233,000 bales a year earlier.

Cotton yarn production amounted to 989 million pounds in 1957-58, down 15 percent from 1,160 million pounds in 1956-57. Cotton yarn exports were 28 million pounds, compared with 32 million pounds in 1956-57. Yarn exports accounted for about 3 percent of total production in both 1956-57 and 1957-58.

Cotton fabric production totaled 3,534 million square yards in 1957-58, down 5 percent from 1956-57 output of 3,727 million yards. However, exports of cotton fabrics increased slightly from 1,369 million yards, or 37 percent of total production, to 1,383 million yards, or 39 percent of the total produced in 1957-58.

Cotton stocks on July 31, 1958, were estimated at 535,000 bales, down 9 percent from stocks of 585,000 bales a year earlier.

Prices for U.S. cotton, c.i.f. Japan, have been fairly steady in recent weeks. The current level averages about 70 points below late August prices. The level for Mexican is nearly 2-1/2 cents a pound lower, while Pakistani prices have dropped from 2-1/2 to 5-1/2 cents a pound since August. Recent quotations, c.i.f. Osaka, for United States and comparable qualities of foreign cotton were: U.S. M 1-1/16"--32.00 cents per pound; Mexican M 1-1/16"--28.10 cents; U.S. M 1"--30.58 cents; and Pakistani M 1"--26.14 cents per pound.

INDIA PLANS TO GROW MORE EXTRA-LONG STAPLE COTTON

The Government of India, through the Indian Central Cotton Committee (ICCC), is planning to grow more of the "Andrews" variety of Sea Island (extra-long staple) cotton. The ICCC hopes to have 300,000 acres under cultivation by 1960-61, the last year of the second 5-year plan. Extra-long staple cotton acreage increased from 80 acres in 1957-58 to 2,200 acres in 1958-59. This cotton is grown in the states of Kerala and Mysore.

URUGUAY'S COTTON IMPORTS DOWN

Uruguay imported 29,000 bales (500 bales gross) of cotton in August-July 1957-58. This was a decline of 19 percent from the 36,000-bale imports in 1957-58.

Imports of U. S. cotton dropped to 8,000 pounds from 14,000 the previous season. There were no imports of Russian cotton in 1957-58, against 13,000 in 1956-57. Takings from Peru remained unchanged at 2,000 bales. Increased imports from Brazil, Greece, and Egypt partly offset cuts from other major suppliers. Imports from Brazil rose from 5,000 bales to 14,000; Greece supplied 3,000 bales (none in 1956-57); and Egyptian imports climbed to 1,000 bales from only 88 in 1956-57.

Cotton consumption, at 34,000 bales in 1957-58, was down slightly from the 35,000 bales used in 1956-57. Stocks on July 31, 1958, were estimated at 8,000 bales, compared with 12,000 a year earlier.

Uruguay grows about 1,000 bales of cotton annually. Private and government efforts to expand production have met with little success, mainly because of a shortage of hand labor.

PORTUGAL IMPORTS LESS
COTTON; USES MORE

Portugal's cotton imports in the 1957-58 season amounted to 204,000 bales (500 pounds gross), down 8 percent from 221,000 bales in 1956-57.

The U.S. share of the Portuguese market fell from 91,000 bales, or 41 percent of total imports in 1956-57, to 27,000 bales, or 13 percent of the total in 1957-58. Imports from the Portuguese colony of Mozambique increased sharply in 1957-58 after poor crops in that area caused the marked shift to U.S. cotton in 1956-57.

Quantities imported from principal sources in 1957-58, with comparable 1956-57 figures in parentheses, were: Mozambique 144,000 bales (90,000); Angola 27,000 (30,000); United States 27,000 (91,000); Peru 3,000 (2,000); and Egypt 3,000 (2,000).

The colonies of Mozambique and Angola supply 70 to 80 percent of Portugal's raw cotton needs in years when their crops are normal; but when their crops are poor, more cotton must be imported from other sources. Imports of U.S. cotton may increase in 1958-59, as colonial production--especially in Mozambique--is said to have been substantially reduced by heavy rains.

During 1957-58, Portugal's textile industry operated close to the 1956-57 level, with spindle numbers reaching the highest point in history. Cotton consumption, at 206,000 bales, was up 4 percent from the 198,000 bales used in 1956-57 and was at the highest level since 1954-55. A few mills are operating 3 shifts a day and are constantly expanding. Many, however, are faced with such problems as insufficient operating capital, excess weaving capacity, absence of quality consciousness, and strong competition in both the domestic and export market.

Cotton stocks on July 31, 1958, were estimated at 53,000 bales, down slightly from the 55,000 bales held a year earlier.

PHILIPPINE COPRA PRODUCTION DOWN;
INCREASE EXPECTED IN 1959

Philippine copra production in the first 3 quarters of this year is estimated at 853,527 long tons, a decline of 14 percent from January-September 1957 output. Exports of copra in the same period were down 22 percent from last year.

While copra production and exports are expected to remain low for the last quarter of this year, output in 1959 may exceed the 1957 record, barring abnormal weather and serious typhoon damage. Rainfall has been ample since June 1958 and the large number of young coconuts would indicate unusually heavy production for the last half of 1959.

Coconut oil production in the first 9 months of the year was 159,284 long tons, an increase of 7 percent from the same period in 1957. Exports were up 9 percent.

Copra cake and meal production of 80,906 tons was up 7 percent from January-September 1957. Exports for the period increased slightly.

Desiccated coconut production, on the other hand, totaled 38,027 tons--a drop of 6 percent from the comparable period last year. Exports were down 10 percent. The decrease in production is attributed to high production costs, difficulty in obtaining an adequate supply of nuts, and a strike at the largest desiccating plant during the first 2 months of the year.

COPRA AND COCONUT OIL: Philippine Republic, derived production
in terms of copra equivalent, average 1950-54, annual
1956 and 1957, January-September 1957 and 1958

Commodity	Average 1950-54	1956	1957 1/	January-September	
				1957 1/	1958 1/
	Long tons	Long tons	Long tons	Long tons	Long tons
Exports:					
Copra, registered shipments.....	688,044	941,045	988,366	732,303	570,696
Copra, unregistered shipments 2/.....	---	26,378	32,623	3/24,540	3/30,000
Coconut oil as copra 4/.....	112,525	163,341	147,613	105,194	114,724
Total as copra....	800,569	1,130,764	1,168,602	862,037	715,420
Domestic utilization:					
Coconut oil as copra 4/.....	119,425	162,273	178,247	130,298	138,107
Total production as copra 5/.....	919,994	1,293,037	1,346,849	992,335	853,527

1/ Preliminary.

2/ Imports into North Borneo.

3/ Partly estimated.

4/ Copra equivalent computed at 63 percent oil extraction rate.

5/ Excluding coconuts used in making homemade oil and native dishes.

Compiled from official and other sources.

EGYPT STILL EXPECTS LARGE COTTON CROP IN 1958-59

Egypt's 1958-59 cotton crop, according to the second official estimate released December 1, 1958, is expected to total 2,038,000 bales (500 pounds gross).

Although this estimate is down slightly from the first 1958-59 estimate of 2,045,000 bales, it is 10 percent above 1957-58 production of 1,861,000 bales, and is 37 percent larger than the 1956-57 crop of 1,492,000 bales. It exceeds average production for the past 10 years by 23 percent. Except for the 2,047,000 bales grown in 1952-53, the 1958-59 crop as now estimated will be the largest since 1937-38.

Most of the 1958-59 increase is in extra-long staple Menoufi production, which is expected to be up 79 percent from 1957-58.

Production of medium-long staple Giza cotton and long-staple Ashmouni is expected to decline.

COTTON: Egypt, production by staple length and variety,
final estimate 1957-58, and second estimate 1958-59

Staple length and principal varieties	1957-58	1958-59	Percent change
	1,000 bales 1/	1,000 bales 1/	Percent
Extra long staple, over 1-3/8":			
Menoufi.....	407	727	+79
Karnak.....	437	459	+5
Medium long staple, over 1-1/4":			
Giza 30, 31, and 47.....	236	164	-31
Long staple, over 1-1/8":			
Ashmouni.....	741	645	-13
Subtotal.....	1,821	1,995	+10
Scarto (unclassified cotton).....	40	43	+8
Total.....	1,861	2,038	+10

1/ Bales of 500 pounds gross.

Source: Government of Egypt.

YUGOSLAVIA IMPORTS
MORE U. S. COTTON

Yugoslav imports of 164,000 bales (500 pounds gross) of U.S. cotton during Yugoslavia's 1957-58 cotton season (July 1-June 30) showed an increase of 48 percent over 1956-57 imports of 111,000 bales. This cotton was purchased under Public Law 480 arrangements. Total cotton imports into Yugoslavia were 206,000 bales, up 35 percent from 153,000 bales a year earlier.

Quantities imported from principal sources during July-June 1957-58, with comparable 1956-57 figures in parentheses, were: United States 164,000 (111,000); Egypt 22,000 (17,000); and Greece 19,000 (14,000). In addition, small quantities were received from Turkey and the Sudan.

Cotton consumption was also higher in July-June 1957-58, amounting to 203,000 bales. This was 5 percent more than the 193,000 bales used in 1956-57. The rising consumption reflects the strong domestic demand for cotton textiles.

The number of spindles in Yugoslav mills on June 30, 1958, was reported at 364,000 the same as a year earlier. Three new mills are under construction with 20,000 spindles each. One mill is expected to be completed by January 1959 while the other two are only in the first stages of construction. In addition to the new mills, 21 existing mills plan to expand their facilities.

Since the capacity of the cotton weaving mills is considerably in excess of the present capacity of the spinning mills, Yugoslavia imported 4,500 metric tons of yarn in 1957-58. This included about 9,000 bales of U.S. cotton that was shipped to Italy for spinning, and about 900 bales of American-type cotton purchased from Syria and shipped to Italy and Austria for spinning. In addition, yarn was purchased directly from Egypt and Brazil. According to reports the textile industry expects to import about 4,800 metric tons of yarn in 1958-59 in exchange for Yugoslav gray goods. The yarn is expected to be imported from Egypt, Italy, Austria, Greece, and Brazil.

Cotton stocks on August 1, 1958, were estimated at 79,000 bales, up 23 percent from stocks of 64,000 bales a year earlier.

Yugoslav cotton production in 1958-59 is estimated at 7,000 bales from 32,000 acres, compared with 15,000 bales from 31,000 acres in 1956-57. The lower 1958-59 crop is attributed mainly to the prolonged drought in Macedonia, where over 90 percent of Yugoslavia's cotton is grown.

NEW CURRENCY IN TUNISIA

A new currency unit, the dinar, equal to 1,000 French francs, was established in Tunisia on November 1. At the current exchange rate of 420 francs per U. S. dollar, the value of the new Tunisian dinar is \$2.38. The dinar replaced the Tunisian franc, which was on a par with the French franc.

Tunisia remains in the French franc zone with an obligation to observe common regulations on external payments.

CHILE LIFTS PRICE CONTROLS ON EDIBLE VEGETABLE OILS

The Chilean Ministry of Economy on November 24 abolished price controls on edible vegetable oils. Free competition between refineries will now determine the price. The government warned, however, that if trade is not completely free, or if prices become too high, permits will be issued to import refined oil from Argentina or other sources with due regard to the need for protecting domestic oilseed producers.

INDONESIA'S COPRA, PALM KERNEL EXPORTS DOWN IN FIRST HALF YEAR; PALM OIL UP

Indonesia's registered exports of copra in the first 6 months of the year are officially reported at 20,795 long tons, less than 20 percent of the quantity reported in January-June 1957.

During the same 6 months of 1958, an estimated 94,000 tons of unregistered copra were shipped from Indonesia, including direct shipments of 52,000 tons to Singapore-Malaya, 5,600 tons to North Borneo and at least 3,000 tons to Europe, and shipments via Singapore of 5,600 tons to Europe and 21,500 tons to India. The above 94,000-ton estimated total does not include unregistered shipments from the Philippines to North Borneo of 20,400 tons--listed as Indonesian copra by some sources.

Copra cake exports in the first half of the year were 48,343 long tons, a decline of 12 percent from the first 6 months of 1957.

Palm oil shipments in January-June totaled 54,474 short tons, up one-half from the comparable period last year.

Palm kernel exports of 17,378 short tons in the first 6 months of the year were down 11 percent from January-June 1957.

**COPRA AND COPRA CAKE: Indonesia, exports 1/ by country of destination,
1957 and January-June 1957 and 1958**

Continent and country of destination	Copra			Copra cake		
	January-June			January-June		
	1957	1957	1958 2/	1957	1957	1958 2/
	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
Europe:						
Belgium-Luxembourg.....	760	760	---	4,467	1,132	3,403
Denmark.....	1,500	1,500	---	10,003	6,286	3,126
France.....	---	---	1,285	342	196	292
Germany, West.....	49,785	5,118	---	30,435	8,810	8,250
Italy.....	---	---	---	828	---	---
Netherlands.....	23,808	22,824	---	58,225	29,237	3,152
Norway.....	1,000	1,000	---	---	---	---
Sweden.....	20,270	6,000	---	3,545	1,810	147
Switzerland.....	---	---	---	---	---	499
United Kingdom.....	849	335	---	14,192	7,126	29,164
Total.....	97,972	37,537	1,285	122,037	54,597	48,033
Asia:						
China.....	2,821	820	---	---	---	---
Japan.....	11,969	11,673	---	---	---	---
Penang.....	28,396	13,572	5,495	---	---	193
Singapore.....	144,084	45,989	14,015	1,849	119	---
Total.....	187,270	72,054	19,510	1,849	119	193
Other.....	---	---	---	3/ 43	109	117
Grand total.....	285,242	109,591	20,795	123,929	54,825	48,343

1/ Net weight. 2/ Preliminary. 3/ Less than January-June figure because of unspecified correction.

Compiled from official sources.

**PALM OIL AND PALM KERNELS: Indonesia, exports 1/ by country of destination,
1957 and January-June 1957 and 1958**

Continent and country of destination	Palm oil			Palm kernels		
	January-June			January-June		
	1957	1957	1958 2/	1957	1957	1958 2/
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
North America:						
Canada.....	438	---	---	---	---	---
United States.....	463	331	1,187	---	---	---
Total.....	901	331	1,187	---	---	---
Europe:						
Belgium-Luxembourg.....	3,774	340	3,892	---	---	5,084
Denmark.....	---	---	---	441	---	259
Germany, West.....	11,303	2,934	2,291	7,312	2,431	2,943
Italy.....	6,289	589	4,325	---	---	---
Netherlands.....	94,094	22,771	28,319	15,651	4,700	2,380
Total.....	115,460	26,634	38,827	23,404	7,131	10,666
Asia:						
Japan.....	16,490	6,441	5,029	20,057	11,805	5,282
Penang.....	3,048	1,453	3,307	999	601	975
Philippines.....	5,612	628	3,840	---	---	---
Singapore.....	---	---	1,669	---	---	455
Total.....	25,150	8,522	13,845	21,056	12,406	6,712
Oceania:						
Australia.....	603	331	615	---	---	---
Other.....	21	21	---	---	---	---
Grand total.....	142,135	35,839	54,474	44,460	19,537	17,378

1/ Net weight. 2/ Preliminary.

Compiled from official sources.

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

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